



The UK e-Invoicing Advocacy Group was set up in 2010 as a self-funded initiative of industry associations, public sector bodies and solution providers to promote e-Invoicing in the UK public and private sectors. Our mission is to help UK public bodies and commercial enterprises of all sizes save money and understand the benefits of replacing paper invoices with wholly electronic transactions.

It is our intention to champion and advocate widespread adoption of electronic invoicing between buyers and sellers of goods and services. The UKeAG promotes the benefits of e-Invoicing to the UK Public Sector and the wider UK economy, meeting regularly at the Houses of Parliament and the Department for Business. As the official UK forum on e-Invoicing, sponsored by the Department for Business, we delegate the UK participants that provide expert input to the current EU Commission Multi-Stakeholder Forum. Our UK delegates lead the working group on best practice within EU Commission Forum and our participation ensures that emerging EU policy and regulation supports UK public and private interests.

We are committed to help commercial enterprises and public bodies of all shapes and sizes to understand the business case and benefits for electronic invoice adoption, in particular reducing the administrative burden on small and medium-sized enterprises and to promote a lively and innovative UK market for the provision of relevant solutions and services. The benefits of electronic invoicing are clear;

- *Substantial cost savings through reduction in manual work, material and transport costs.*
- *Additional cost savings from fraud and loss prevention, and lower auditing costs for trading parties and tax authorities.*
- *Enabling of accelerated payments, improved cash flow and reduced credit losses for both large and small enterprises. E-Invoicing could unlock the potential for new collateralised lending services at a time of subdued growth in traditional credit products, especially for SMEs.*
- *Raising productivity and customer satisfaction in both the public and the private sector, and improving UK competitiveness overall.*
- *Enabling workforce transition to more productive activities and a learning vehicle to increased use of electronic practices throughout the public and private sectors.*
- *A direct contribution to carbon savings and resultant environmental gains*

Through this series of case studies the UK e-Invoicing Advocacy Group aim to show that electronic invoice automation is not a new concept, and that best-in-class organisations are gaining competitive advantage.



DP DHL slashes invoice processing costs by 88%

DP DHL is the recognised market leader in the international express and logistics industry. DP DHL's international network links more than 220 countries and territories worldwide and employs 500,000 staff, generating revenues of more than 46 billion Euros each year. The company offers a wide range of services in express, air and ocean freight, as well as international mail solutions.

Although the initial project was to improve the invoice process in Europe, as a global business, DP DHL's first challenge was to implement a solution that would work in and alongside all the regions in which it trades.

Invoice processing was an expensive and complicated procedure mainly due to incorrect invoices arriving late or being lost. Indeed, each invoice DP DHL received was costing the company an average of 5 Euros. Furthermore the process was slow – invoices were taking longer to process due to errors on the invoices or being sent to the wrong person within the organisation – a cumbersome process and reliant on the postal system in each different country.

With such a large supplier base, DP DHL needed to review and improve the way it managed supplier invoices, while still accounting for regional variations and different tax systems.

DP DHL took the strategic decision to switch to e-invoicing in order to improve the way it processed invoices and tendered for an e-invoicing partner to support it moving forward. OB10, the global e-invoicing network was chosen due to the additional services that are included in its solution, such as supplier enrolment, and its best practice programme management capability. OB10 demonstrated an impressive global reach that includes a highly skilled multi-national team with international experience who are able to support each region in their own language and culture. The initial contract was for e-invoicing to be rolled out within 17 entities across 6 countries of the DP DHL and OB10 identified the key priorities, defined which entities and regions would be transitioned to e-invoicing with a target of 70% of suppliers to be enrolled within the first two years.

Summary...

DP DHL implements an e-Invoicing solution across six countries targeting 70% of all suppliers to be enrolled in the first two years.

By removing manual tasks and wasteful paper their invoice processing costs have been reduced from €5.00 to €0.60.

Invoice processing is now faster and more accurate and with an 88% cost reduction.



“As a global company, OB10 was an obvious choice. We needed to work with a partner that could not only understand European VAT and regional complexities, but could manage a global roll-out. In addition to their impressive customer list and obvious international experience, the fact that OB10 offered additional services such as supplier enrolment as part of their solution was key. It is essential for us to have dedicated supplier enrolment that is managed by OB10 in our suppliers’ local language.”

Gabrielle Philippens, Senior Process Consultant DP DHL

DP DHL started to see the benefits in terms of cost reduction almost immediately. Prior to implementing e-invoicing through OB10, the cost of processing an invoice was approximately €5 from start to finish. Following the implementation, the cost of processing an invoice has fallen to just 60 Euro cents – a remarkable 88% reduction. In addition, e-invoicing through OB10 made processing invoices much faster and more accurate, which in turn enabled the finance function to devote time to more strategic, value-added activities.

e-Invoicing also offers undoubted benefits to DP DHL’s suppliers. The new invoicing procedure has enabled DP DHL to process invoices on time, resulting in a benefit for the suppliers. OB10’s e-Invoicing includes a validation process that will reject an invoice at submission if it has incorrect or missing information; saving the time that would be wasted on dealing with an incorrect invoice. The suppliers also receive confirmation when the invoice has been delivered, and are given support and guidance on what to do if an invoice is not fit for processing. Furthermore, suppliers can still submit invoices in any data format they choose without the need to implement additional hardware or software.

DP DHL prides itself on its commitment to the environment, with projects such as the GOGREEN initiative, which is a carbon efficient shipping option for DP DHL Express Business customers. It is important that the companies DP DHL partners with also have a strong commitment to the environment and corporate social responsibility. OB10’s operations reduce the amount of paper used globally by removing the need for paper invoices and the company has won three prestigious Green Apple awards, thus cementing OB10 as an ideal business partner for DP DHL.

DP DHL has now signed a second contract with OB10 to increase the number of electronic invoices they receive and to roll out across a further 10 countries and 18 entities by 2012. Due to the great success of OB10, DP DHL is also looking to include Inter-company invoices in the near future.

Gabrielle Philippens, Senior Process Consultant at DP DHL, concluded: “Initially we were concerned that staff would feel that the automation would reduce the importance of their role and they would feel their role in the department was now being done by a computer. However, in practice the new process resulted



in allowing each staff member to spend more time on mission critical tasks that delivered real benefit to the company.

“Before we rolled out OB10’s e-Invoicing solution, invoices were just a headache. The 88% cost reduction we have achieved has been highly impressive. We were able to prepare for some cost reduction with the business case, but what we did underestimate is the quality aspect. As OB10 verifies the invoice data before it reaches us, it means that less time is spent dealing with exceptions. Invoices can be processed more quickly and we can look to consistently pay our suppliers on time.”

Gabrielle Philippens, Senior Process Consultant DP DHL

Paper pushing just doesn’t exist anymore. If you talk to members of the AP team, they can see and feel the improvements that e-Invoicing has made,” “In addition, we’re planning to continue to roll out the OB10 programme throughout our worldwide operations. With our different organizations and complexities in different countries, this is not an easy task. However, by working with OB10, using their experience and multi-national supplier enrolment teams, we are confident our targets will be met once again.”

The UK e-Invoicing advocacy group meets on a regular basis and operates in an entirely non-competitive, cooperative space. Our meetings are inclusive of both public and private sector stakeholder interests. We operate in an open, transparent and informal manner.

Whilst addressing an area requiring strategic transformation, the group adopts scoped and realistic objectives. Initiatives undertaken are agreed among the group to be concrete, feasible and effective and their execution always closely monitored.